

**STATEMENT OF
CHAIRMAN JULIUS GENACHOWSKI**

Re: Connect America Fund, WC Docket No. 10-90, A National Broadband Plan for Our Future, GN Docket No. 09-51, High-Cost Universal Service Support, WC Docket No. 05-337

This item is an important milestone in our deeply important effort to ensure that every American, no matter where they live or what they earn, has access to affordable, high-quality broadband communications service. It will not be easy. But that is what we are committed to do. It is necessary that we do so to promote economic growth, job creation and broad opportunity for all Americans in the 21st Century.

Last month, the Commission delivered to Congress a plan to promote world-leading communications infrastructure in the United States – to match, and surpass, broadband deployment in other countries with which we compete. One of the key components of the National Broadband Plan – and the Commission Joint Statement on Broadband – was comprehensive reform of the universal service program. Today’s item is the first in a series of proceedings to implement that vision.

This proceeding will lay the groundwork for a system that provides universal service support for broadband and voice services in an efficient and targeted manner. Today’s Notices suggest common-sense reforms to cap growth and cut inefficient funding of voice networks. And they seek comment on the use of a model to assist with determining levels of universal service support for broadband communications, so that rural and other carriers, which have done so much to provide basic telephone service to Americans who otherwise would not have it, can provide 21st Century communications services to those Americans. That support must be sufficient to ensure that providers can offer quality broadband service to high cost areas, without unfairly burdening those who ultimately bear the costs of universal service.

The comprehensive universal service reform that the National Broadband Plan envisions will take time, but cannot take too long. We do not want flash cuts. We want a reasonably paced and certain approach to converting universal service to broadband communications. That is why the Plan sets out a step-by-step approach, suggesting that the Commission begin with action, and act steadily and consistently as we work with all stakeholders to get the job done. This item begins that process by seeking the best way to create an accelerated process to fund deployment of broadband networks in unserved areas, while the Commission works on fully implementing the new Connect America Fund.

I thank the staff for their hard work on this item, and I look forward to working with my colleagues to make affordable, high-quality broadband available to all Americans.